

**Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at
TEMORA OFFICE on 23 February 2017**

The meeting commenced at 1.02pm.

PRESENT

Chairperson C Manchester, Cr B Callow, Cr D McCann, Cr L McGlynn, Deputy Chairperson D Palmer, Cr G Sinclair, Administrator W Tuckerman.

ALSO IN ATTENDANCE

Mr P Rudd (General Manager), Mr G Veneris (Production & Services Manager and Acting Corporate Services Manager), Mr T Goodyer (Operations Manager), Miss S McMahon (Administration Trainee)

1. LEAVE OF ABSENCE/APOLOGIES

17/001 RESOLVED on the motion of Deputy Chairperson Palmer and Cr Callow that leave of absence be granted to Cr K Morris.

2. ACKNOWLEDGEMENT OF COUNTRY

3. PRESENTATIONS

Nil

4. DECLARATION OF PECUNIARY INTERESTS

Nil

5. DECLARATION OF NON PECUNIARY INTERESTS

Nil

6. CONFIRMATION OF MINUTES OF MEETINGS HELD ON 22 DECEMBER 2016

17/002 RESOLVED on the motion of Crs McGlynn and McCann that the minutes of the meetings held on 22 December 2016 having been circulated and read by members be confirmed.

7. BUSINESS ARISING FROM MINUTES

Nil

8. ADMISSION OF LATE REPORTS

Nil

9. NOTICES OF MOTION / RESCISSION MOTIONS

Nil

10. CHAIRPERSON'S MINUTE

Nil

11. PUBLIC PARTICIPATION CONFIDENTIAL SESSION

Nil

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12. MATTERS TO BE SUBMITTED TO OPEN COUNCIL

12.1 MATTERS SUBMITTED BY CORPORATE SERVICES MANAGER

12.1.1. COUNCIL INVESTMENTS (G35507005)

17/003 RESOLVED on the motion of Cr McCann and Administrator Tuckerman that the report detailing Council Investments at 31 January 2017 be received and noted.

Report prepared by Accountant

BACKGROUND

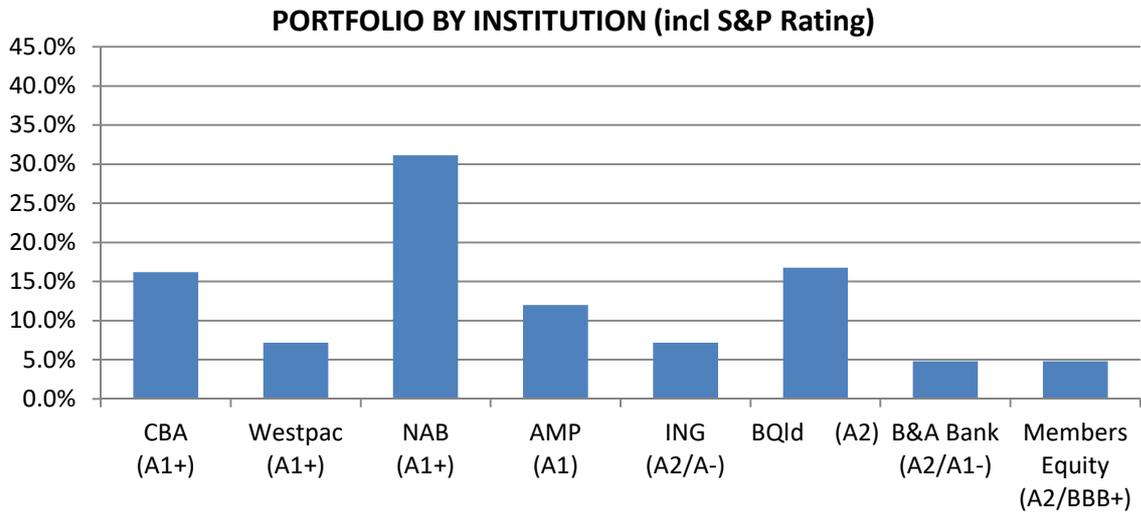
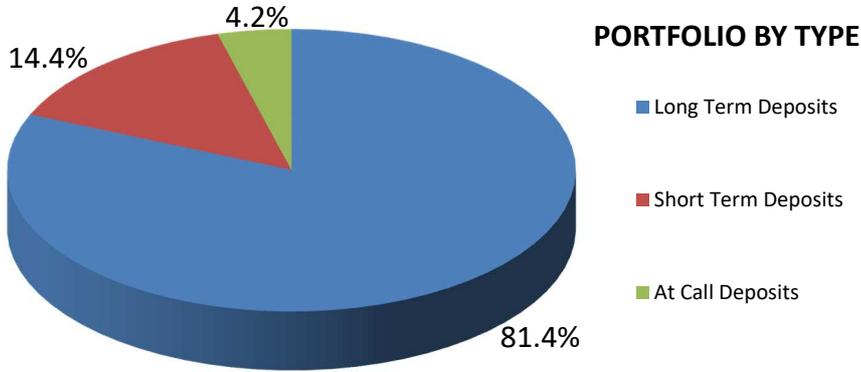
A report on Council's Investments is required to be presented for Council's consideration in accordance with clause 212 of the Local Government (General) Regulation 2005. Council's Investment Policy PP-004 - Reporting and Reviewing Investments requires the provision of a report detailing the investment portfolio in terms of performance, percentage exposure of total portfolio, maturity date and market value.

REPORT

The following details Council Investments as at 31 January 2017:

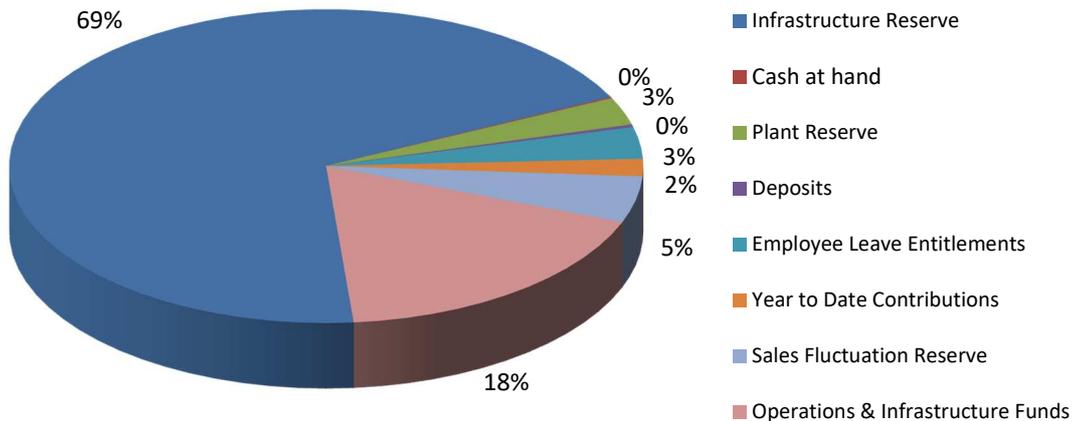
	Market Value (\$)	Term (days)	Rate	Maturity Date	% of Portfolio
Long Term Deposits	34,000,000.00				81.4%
National Australia Bank	3,000,000.00	1,096	3.73%	05/11/17	7.2%
Bank of Queensland	3,000,000.00	1,098	3.60%	05/12/17	7.2%
National Australia Bank	3,000,000.00	1,097	3.70%	04/12/17	7.2%
AMP	3,000,000.00	1,097	3.40%	19/12/17	7.2%
National Australia Bank	3,000,000.00	1,097	3.57%	08/01/18	7.2%
National Australia Bank	3,000,000.00	1,096	3.36%	12/02/18	7.2%
Commonwealth Bank	3,000,000.00	1,097	3.11%	17/03/18	7.2%
Commonwealth Bank	3,000,000.00	1,096	3.06%	20/04/18	7.2%
Westpac Banking Corporation	3,000,000.00	1,096	3.04%	25/06/18	7.2%
Bank of Queensland	3,000,000.00	1,098	3.00%	29/10/18	7.2%
ING Direct	3,000,000.00	1,098	3.18%	18/03/19	7.2%
Bendigo & Adelaide Bank	1,000,000.00	548	3.00%	1/12/17	2.4%
Short Term Deposits	6,000,000.00				14.4%
Bendigo & Adelaide Bank	1,000,000.00	365	2.97%	31/05/17	2.4%
Bank of Queensland	1,000,000.00	365	2.85%	31/05/17	2.4%
AMP Bank	1,000,000.00	181	3.00%	15/06/17	2.4%
Bendigo & Adelaide Bank	1,000,000.00	365	2.67%	10/08/17	2.4%
Members Equity Bank	2,000,000.00	180	2.77%	11/07/17	4.8%
At Call Deposits	1,750,210.00				4.2%
Commonwealth Bank At Call A/c	750,000.00	At Call	1.70%	N/A	1.8%
AMP Bank At Call A/c	1,000,210.00	At Call	2.55%	N/A	2.4%
Total Value of Investment Funds	41,750,210.00				100.0%

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RESERVES & CASH OR CASH EQUIVALENTS



Movements within Bank account for the reporting period (\$)

Cash Book balance as at 1 December 2016	\$963,527.41
Plus Deposits	
December	\$1,691,929.17
January	\$3,377,991.66
Less Payments	
December	-\$2,117,938.80
January	-\$3,647,993.69
 Cash Book balance as at 31 January 2017	 \$267,515.75
Less Outstanding Deposits	-\$1,090.24
Plus Unpresented Cheques	\$19,016.95
 Bank balance as at 31 January 2017	 \$285,442.46

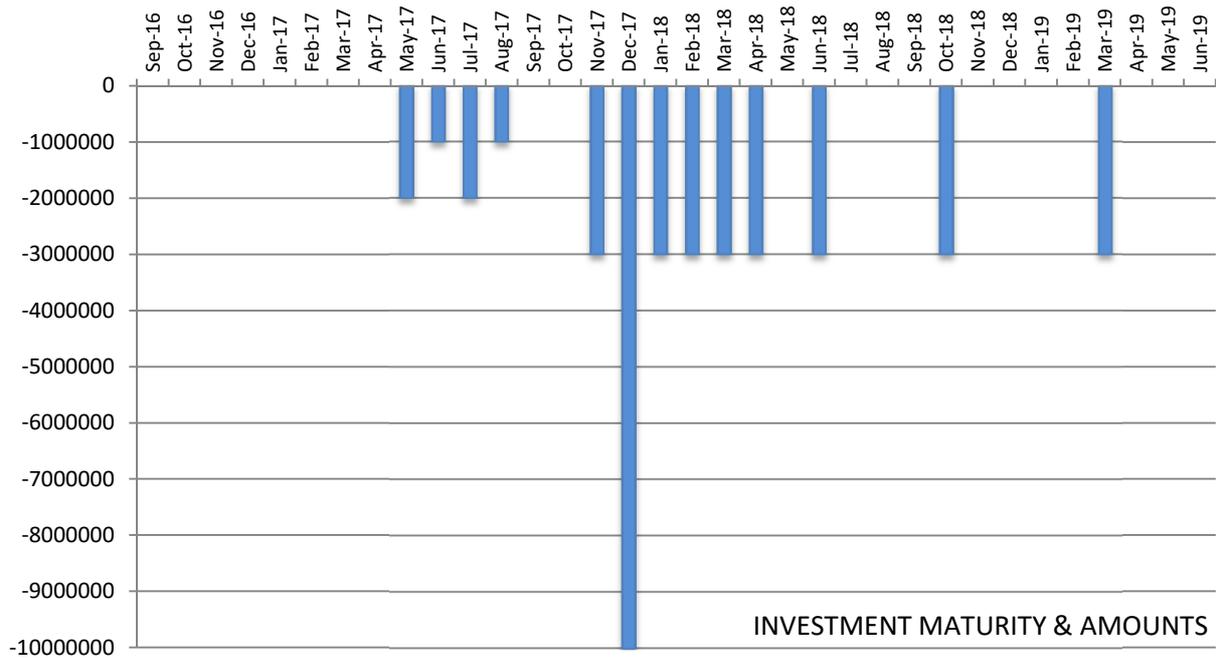
It is hereby certified that the above investments have been secured in accordance with:

- Local Government Act, 1993;
- Local Government (General) Regulation, 2005;
- Investment Order - dated 12 January 2011; and
- Council's Investment Policy PP-004 (adopted 23/6/2016).

Councillors will be aware of Council's Restricted Assets, which will now form part of the report.

The following table sets out GWCC's investment maturity timetable

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Attachments: Nil

Tabled Items: Nil

FINANCIAL IMPACT STATEMENT

Nil

RECOMMENDATION

Recommendation made was adopted.

12.1.2. CAPITAL WORKS PROGRESS REPORT (G35201005)

17/004 RESOLVED on the motion of Deputy Chairperson Palmer and Cr Callow that the report detailing Council’s capital works program as at 31 January 2017 be received and noted.

Report prepared by Accountant

BACKGROUND

Capital Works represents an important part of Council’s activities and expenditure. This report details progress year to date on programmed and emergent capital works. Water mains are a significant part of the annual program and are also reported in more detail.

REPORT

This report is presented for information on the progress of Council’s Capital Works Program as at 31 January 2017.

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Description	2016/17 Estimate	Costing to 31/01/2017
Total New -Future Projects Investigations	\$ 50,000	\$ -
Total New -Water Mains-Developers	\$ 40,000	\$ 38,718
Total New -Water Mains	\$ 120,000	\$ 35,546
Total New System Assets-Reservoirs	\$ -	\$ -
Total New System Assets-Pumping Stations	\$ 592,000	\$ -
Total New System Assets-Treatment	\$ 33,700	\$ 34,445
Total New System Assets-Bores	\$ 400,000	\$ 337,713
Total New System Assets-Services-Meters	\$ 125,000	\$ 30,701
Total New System Assets - Backflow	\$ -	\$ 21,403
Total New Plant & Equipment	\$ 125,000	\$ 38,427
Total New Intangibles	\$ -	\$ 88,150
Total New Assets-Buildings	\$ -	\$ -
Capital New Asset Buildings-Temora Workshop	\$ 168,800	\$ 379,552
Total New Capital	\$ 1,604,500	\$ 1,004,655
Total New System Assets-Manadamah Stage 1	\$ 2,000,000	\$ -
Total New Capital (incl Mandamah)	\$ 3,604,500	\$ 1,004,655
Total Renewals Mains	\$ 1,344,200	\$ 161,555
Total Renewals Reservoirs	\$ 917,100	\$ -
Total Renewals Pump Stations	\$ 2,151,000	\$ 134,091
Total Renewals Treatment	\$ -	\$ 36,223
Total Renewals Bores	\$ 80,000	\$ 183,930
Total Renewals Services Meters-Taggles	\$ 145,000	\$ 29,731
Total Renewals Plant and Equipment	\$ 336,700	\$ 119,127
Total Renewals-Buildings	\$ 224,600	\$ 45,230
Total Capital Renewals	\$ 5,198,600	\$ 709,887
Total Plant Purchases	\$ 650,000	\$ 1,146,333
Total Plant Sales	-\$ 580,000	-\$ 405,229
Total Plant Purchased & Sold	\$ 70,000	\$ 741,104
Grand Total	\$ 8,873,100	\$ 2,455,646

Description	2016/17 Estimate	Costing to 31/01/2017	Progress %	Commentary
New System Assets-Mains Developer Paid				
Commissioning Developer Provided Mains	\$ 40,000	\$ -	na	Overarching budget
Mains Temora- Gallopli & James Streets	\$ -	\$ 22,452	100%	Job Completed
				Job Completed 2016 Financial Year. Invoices received in new Financial Year
				Job Completed 2016 Financial Year. Invoices received in new Financial Year

This is Page 7 of the Minutes to the Goldenfields Water County Council meeting held on
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General Manager.....Chairperson.....

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	\$ -	\$ 6,378	100%	Job Completed
Mains Aria Park Cut In & Mains Extension				Job Completed 2016 Financial Year. Invoices received in new Financial Year
	\$ -	\$ 8,445	100%	Job Completed
Water Mains-Developers	\$ 40,000	\$ 38,718		
New System Assets-Mains				
Easement Compensation	\$ 20,000	\$ 1,315	na	Not project based capital works
	\$ 100,000	\$ -	na	Overarching budget
Aria Park Fill Station	\$ -	\$ 10,986	100%	Job Completed
Aria Park Mains Extension to relocate Fill station	\$ -	\$ 23,245	100%	Job Completed
Total New -Water Mains	\$ 120,000	\$ 35,546		
Capital Renewals-Mains				
Total Renewals- To be Determined	\$ 800,000	\$ -	na	
Total - West Wyalong Stadium Main	\$ -	\$ 11,786	100%	Job Completed
Total - Wallace Street GSE Correction	\$ -	\$ 11,286	100%	Job Completed
Total Wyalong-Showground Road RMS Stage 2	\$ -	\$ 6,788	100%	Job Completed
Total Wyalong-Showground Road RMS Stage 3	\$ -	\$ 53,857	100%	Job Completed
Total Wyalong-Showground Road RMS Stage 4	\$ -	\$ 57,873	5%	In preliminary stage
Total Capital Renewals - Mains	\$ 800,000	\$ 141,590		
Cootamundra - Temora Road				
Total Cootamundra-Temora Road	\$ 60,500	\$ -	0%	Job not yet commenced
Total Cootamundra-Temora Road	\$ 60,500	\$ -		
Weethalle Fishers Lane				
Weethalle Fishers Lane	\$ 483,700	\$ 19,965	60%	8km of pipe has been laid. Anticipated finish date of late March.
Total Weethalle Fishers Lane	\$ 483,700	\$ 19,965		

Attachments: Nil

Tabled Items: Nil

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

RECOMMENDATION

Recommendation made was adopted.

**12.1.3. QUARTERLY BUDGET REVIEW STATEMENT - DECEMBER 2016
(G35201005)**

17/005 RESOLVED on the motion of Crs McGlynn and Callow that the Quarterly Budget Review Statement for the period ended 31 December 2016 be received and noted with the variations to income and expenditure adopted as the revised Budget estimates for the year ended 30 June 2017.

Report prepared by Accountant

BACKGROUND

The Quarterly Budget Review Statement is presented to Council to revise estimates of income and expenditure in accordance with clause 203 of the Local Government (General) Regulation 2005. The review is for the quarter ending 31 December 2016 and is attached for Council's consideration.

REPORT

Council's budgeted Operating Result before Capital Items forecast a surplus of \$4,034,000. The December QBR result, as presented, reflects an increase in operating expenditure of \$903,000, and a decrease in income of \$262,000, resulting in a budgeted surplus result before Capital of \$2,869,000.

Councillors will note changes to the Capital Budget Review Statement. Council originally budgeted \$9,503,000 for capital expenditure. The December QBR Result, reflects a decrease in capital expenditure of \$738,000.

Please refer to the attached statements for financial details and accompanying notes.

Attachments: Quarterly Budget Review Statement

Tabled Items: Nil

RECOMMENDATION

Recommendation made was adopted.

12.1.4. LOANS BORROWING POLICY REPORT (G40350505)

17/006 RESOLVED on the motion of Crs Sinclair and McCann that Council adopt the Loans Borrowing Policy as presented.

Report prepared by Accountant

BACKGROUND

External loan borrowings are an important source of funding for Council's capital works. The Loans Borrowing Policy has been developed to ensure Goldenfields Water County Council undertakes sustainable borrowings in accordance with legislative requirements.

REPORT

The policy is to provide guidance to ensure Council has a structured and disciplined approach to borrowing of funds that fit within Council's long term financial framework.

Attachments: Loans Borrowing Policy

Tabled Items: Nil

FINANCIAL IMPACT STATEMENT

The recommendation does not have immediate effect on Council's financial position. Should borrowings be undertaken Council will aim to achieve a Debt Service Ratio of less than 10% and not exceed 20%. It is intended that any borrowings proposed will be undertaken for major projects and be reported to Council prior to seeking any borrowings.

RECOMMENDATION

Recommendation made was adopted.

12.1.5. INVESTMENT POLICY (G40350505)

17/007 RESOLVED on the motion of Administrator Tuckerman and Cr McGlynn that Council adopt the Investment Policy as presented.

Report prepared by Accountant

BACKGROUND

The Investment Policy has been reviewed and updated to provide Council with a framework for the investing of funds in a prudent and appropriate manner.

REPORT

The current Investment Policy prohibits the use of leveraging (borrowing to invest) of an investment. The policy has been updated to ensure nothing prohibits the short term investment of loan proceeds. This could be at a time where the loan is raised for non-investment purposes (Major Projects) and there is a delay prior to the expenditure of the loan funds.

Attachments: PP004 Investment Policy

Tabled Items: Nil

FINANCIAL IMPACT STATEMENT

The recommendation does not have any immediate impact on Council's financial position.

RECOMMENDATION

Recommendation made was adopted.

12.1.6. INTERNAL AUDIT COMMITTEE (G40350505)

17/008 RESOLVED on the motion of Cr McGlynn and Deputy Chairperson Palmer that Council

- a) Adopt the Internal Audit Committee Policy as presented and;
- b) Approve Council officers to engage an external chair to facilitate the development of the committee for a maximum period of two years
- c) Council nominated Cr D McCann as a board member.

Report prepared by Accountant

BACKGROUND

In 2008 pursuant to section 23A of the Local Government Act 1993, the Department released Internal Audit Guidelines for local government in NSW via Circular number 08-64.

The Guidelines advised all councils to develop an internal audit committee to act as an independent and objective oversight of council systems and processes.

REPORT

The primary objective of the Audit Committee Policy is to provide framework to promote good corporate governance through the provision of independent assurance, oversight and advice to Council and the General Manager on matters relating to fraud, corruption control, risk management, internal control, governance, compliance, audit, financial statement preparation and financial reporting.

The Audit Committee will meet quarterly and function in accordance with the Institute of Internal Auditors. Reported minutes will be submitted into the Council business papers for the following Board meeting.

Attachments: Internal Audit Committee Policy

Tabled Items: Nil

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

RECOMMENDATION

That Council

- a) Adopt the Internal Audit Committee Policy as presented and;
- b) Approve Council officers to engage an external chair to facilitate the development of the committee for a maximum period of two years.
- c) Council nominate a board member.

12.1.7. DEBT RECOVERY AND HARDSHIP POLICY (G40350505)

17/009 RESOLVED on the motion of Cr McCann and Administrator Tuckerman that Council

- a) Adopt the Debt Recovery and Hardship Policy as presented.
- b) Approve Council officers to engage an external debt recovery agency for any future works that may be required in recovery of outstanding monies.

Report prepared by Acting Corporate Services Manager

BACKGROUND

Council has historically carried forward significant amounts of outstanding debts over consecutive years. This policy sets out the procedures Council will follow to recover monies that are overdue for water related fees, charges and other debts.

Council officers recognise that some customers, can overtime experience genuine financial hardship and this policy provides a formal process for the administration of such requests for assistance.

REPORT

Council officers have commenced procedures to reduce the significant amount of current outstanding debts. The attached Policy provides Council with a detailed process as to how the debt recovery and outstanding monies will be recovered. This includes the utilisation of an external company for delivery of intention to restrict or disconnect notices on behalf of Council.

The Policy has also been updated to include a process for hardship applications which was not previously available. The hardship application will allow Council officers to review a customer's financial position upon the request of a payment plan. This process will allow Council to ensure that the recovery of outstanding money is being undertaken via a due-diligence process and ensure that leniency in debt recovery is only provided to those customers with a genuine reason.

Attachments: Debt Recovery & Hardship Policy

Tabled Items: Nil

FINANCIAL IMPACT STATEMENT

The recommendation provides an avenue of transparency for the recovery of outstanding monies which allows Council to adequately recover income within appropriate timeframes. Costs associated with the engagement of an external debt recovery company are yet to be obtained.

LOCAL PREFERENCE

Nil.

RECOMMENDATION

Recommendation made was adopted.

12.2. MATTERS SUBMITTED BY THE GENERAL MANAGER

12.2.1. RELATED PARTY TRANSACTION NOTIFICATIONS (G40203005)

17/010 RESOLVED on the motion of Deputy Chairperson Palmer and Cr Callow that Council note the tabling of the Related Party Transaction Notifications.

Report prepared by General Manager

BACKGROUND

The Australian Accounting Standards Board (AASB) has determined that AASB 124 Related Party Disclosures apply to government entities, including local government.

In the annual financial statements councils must disclose related party relationship, transactions and outstanding balances, including commitments.

REPORT

Key Management Personnel – elected members, the general manager, directors and managers are required to complete Related Party Transaction Notifications to assist Council in compliance with its statutory obligations. Declarations are requested biannually each financial year.

Related Party Transaction Notifications will be tabled biannually to ensure the requirements are met.

Attachments: Nil

Tabled Items: Related Party Transactions

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

RECOMMENDATION

Recommendation made was adopted.

12.2.2. GOLDENFIELDS WATER BRAND IDENTITY REFRESH (G03051010)

17/011 RESOLVED on the motion of Crs Callow and Sinclair that the Brand Refresh be put to a vote by Councillors with the following options:

- a. for – changing the logo to the preferred option number 3
- b. against – retaining the current logo

The result of the vote was 3 for and 3 against. Chairperson Manchester had refrained from voting however due to the equality of votes, Chairperson Manchester cast his vote in favour of a. for – changing the logo to the preferred option number 3.

Report prepared by the General Manager

BACKGROUND

At the 27th October 2016 Council Meeting, Council resolved (16/099) to adopt the Brand Identity Refresh Project.

REPORT

The consultant engaged to deliver the Brand Refresh Project has produced several options for Council's consideration which have been tabled in the Brand Refresh Options Report.

Attachments: Nil

Tabled Items: Brand Refresh Options

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

RECOMMENDATION

That Councillors nominate their preferred option and that if necessary, voting be by ordinary ballot.

12.2.3. DELIVERY PROGRAM PROGRESS REPORT (G05601005)

17/012 RESOLVED on the motion of Deputy Chairperson Palmer and Cr Callow that Council's Delivery Program Progress Report July – December 2016 be received and noted.

Report prepared by General Manager

BACKGROUND

Section 404 of the Local Government Act 1993, requires the general manager to provide progress reports to Council with respect to the principle activities in its delivery program.

REPORT

Council's Delivery Program Progress Report July – December 2016 has been included as a tabled item.

Attachments: Nil

Tabled Items: Bi-Annual Progress Report

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

RECOMMENDATION

Recommendation made was adopted.

12.2.4. WORK HEALTH AND SAFETY POLICY (G40350505)

17/013 RESOLVED on the motion of Cr Sinclair and Deputy Chairperson Palmer that Council adopt the revised Work Health and Safety Policy as presented.

Report prepared by WHS & Procurement Coordinator

BACKGROUND

Goldenfields Water has a legal and moral obligation under the Work Health and Safety (WHS) Act 2011, where it holds a primary duty of care to manage, as far as reasonably practicable, the health and safety of workers and others.

REPORT

The revised policy aims to provide guidance and enables detailing Goldenfields' commitment to providing a safe workplace for all.

Attachments: PP013 Work Health and Safety Policy.

Tabled Items: Nil

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

RECOMMENDATION

Recommendation made was adopted.

13. NEXT MEETING

The next ordinary meeting of Council is scheduled to be held on Thursday 27 April 2017 at 1.00pm. Please note this meeting will be held at the Jugiong Water Treatment Plant, Waterworks Rd, Jugiong.

14. QUESTIONS & STATEMENTS

Chairperson C Manchester congratulated Tony Goodyer on his recent award, the National Police Service Medal.

Deputy Chairperson Palmer expressed his concern with the loss of surplus outlined in the Quarterly Budget Review Statement. Mr Goodyer stated that this was due to increased maintenance occurring.

Chairperson Manchester suggested that Council consult with other Councils regarding the Internal Audit Committee to obtain advice in the development of the Committee. Mr Rudd stated that he would look into this.

Administrator W Tuckerman noted that she would like to hear from the staff regarding their opinion on the Brand Identity Refresh before an official decision be made. Mr Rudd advised that a survey would go out to all staff.

There being no further business requiring the attention of Council the meeting was closed at 2.53pm.
